

599 - O. C. SPECIAL FINANCING AUTHORITY DEBT SERVICE

Operational Summary

Description:

To make timely debt service payments on the 1995 Orange County Special Financing Authority Teeter Plan Revenue Bonds and to transfer surplus revenues to County General Fund 100 Agency 016 as provided for in the Second Amended Modified Plan of Adjustment. The surplus transfer to Agency 016 ended in FY 2000-2001, future surplus transfers will be made to Fund 100, Agency 100.

In 1995 the Orange County Special Financing Authority issued \$155,000,000 of revenue backed bonds: Series A (taxable) \$32,375,000; Series B, \$20,625,000; Series C, \$34,000,000; Series D, \$34,000,000; and Series E, \$34,000,000. The proceeds of the bonds were used to pay the holders of the County's 1994-95 Teeter Notes and to fund an on-going Teeter Program.

The use of long term bonds to fund the Teeter Program is unique to Orange County and is authorized by special State statute. The Teeter program is an alternate secured property tax distribution plan. Normally the secured property taxes actually collected by a County are distributed to taxing agen-

cies (e.g. school districts), resulting in less than 100% of the tax levy being distributed because of delinquencies. Under the Teeter Plan, the County distributes 100% of the levy to the taxing agencies and in exchange receives the right to keep the delinquent taxes, penalties and interest.

The Orange County Special Financing Authority was set up in 1995 to administer the Teeter Plan in Orange County. The penalties and interest collected on tax defaulted properties provide the revenue to pay the debt service on the Teeter Bonds and, if available, surplus revenue is released to the County General Fund. The Board of Directors of the Authority are the members of the Orange County Board of Supervisors.

As of November 30, 2004, \$123,725,000 in principal was outstanding from all five series. The Teeter Bonds will be paid off in 2014.

At a Glance:

Total FY 2004-2005 Actual Expenditure + Encumbrance:	35,656,836
Total Final FY 2005-2006	82,390,125
Percent of County General Fund:	N/A
Total Employees:	.00

Strategic Goals:

- Make timely debt service payments and provide surplus revenue for the bankruptcy recovery as contemplated in the County's Second Amended Modified Plan of Adjustment.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Make annual transfers of surplus cash to the General Fund.

Final Budget History:

Sources and Uses	FY 2003-2004	FY 2004-2005	FY 2004-2005	FY 2005-2006	Change from FY 2004-2005	
	Actual Exp/Rev	Budget As of 6/30/05	Actual Exp/Rev ⁽¹⁾ As of 6/30/05		Actual Amount	Percent
Total Revenues	168,975,085	73,265,260	66,146,263	82,390,125	16,243,862	24.55
Total Requirements	162,383,405	73,265,260	35,656,836	82,390,125	46,733,289	131.06
Balance	6,591,681	0	30,489,427	0	(30,489,427)	-100.00

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: O. C. Special Financing Authority Debt Service in the Appendix on page page 753

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Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2003-2004		FY 2004-2005		FY 2004-2005		FY 2005-2006		Change from FY 2004-2005	
	Actual Exp/Rev		Budget		Actual Exp/Rev ⁽¹⁾		Final Budget		Actual	
				As of 6/30/05		As of 6/30/05			Amount	Percent
Fines, Forfeitures & Penalties	\$	41,695,947	\$	42,500,000	\$	35,370,363	\$	43,380,463	\$ 8,010,100	22.64%
Revenue from Use of Money and Property		2,088,501		3,200,000		3,210,641		2,172,877	(1,037,764)	-32.32
Total FBA		125,190,637		6,591,681		6,591,681		36,836,785	30,245,104	458.83
Reserves		0		20,973,579		20,973,579		0	(20,973,579)	-100.00
Total Revenues		168,975,085		73,265,260		66,146,263		82,390,125	16,243,862	24.55
Services & Supplies		31,236,309		60,665,260		28,194,507		51,648,191	23,453,684	83.18
Other Charges		9,331,855		12,600,000		7,462,329		12,500,000	5,037,671	67.50
Appropriation For Contingencies		0		0		0		10,746,538	10,746,538	0.00
Reserves		121,815,240		0		0		7,495,396	7,495,396	0.00
Total Requirements		162,383,405		73,265,260		35,656,836		82,390,125	46,733,289	131.06
Balance	\$	6,591,681	\$	0	\$	30,489,427	\$	0	\$ (30,489,427)	-100.00%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2004-05 Actual Expenditure + Encumbrance included in the "At a Glance" section.